

UNITED STATES SENATOR • IOWA

# CHUCK GRASSLEY

RANKING MEMBER • SENATE COMMITTEE ON FINANCE

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Contact: Jill Kozeny, 202/224-1308  
Jill Gerber, 202/224-6522

## MEMORANDUM

To: Reporters and Editors  
Fr: Jill Gerber, 202/224-6522  
Re: False Claims Act case  
Da: Tuesday, June 25, 2002

Today attorneys announced that the General American Life Insurance Company has agreed to pay the government \$76 million to resolve Medicare fraud charges brought by whistle blowers and the Department of Justice under the civil False Claims Act. This case marks the tenth settlement of Medicare fraud and abuse charges brought under the civil False Claims Act against Medicare carriers and intermediaries since 1993. Counting today's settlement, these ten defendants have agreed to pay back a total of \$416 million in taxpayer funds, according to the lawyer for the whistle blowers in today's case.

Sen. Chuck Grassley, the Senate author of the 1986 whistle blower amendments to the False Claims Act, made the following comment on today's case.

"The evidence shows company employees wished themselves a 'Merry Christmas' on heavy fraud days. Today, the holiday's over. I appreciate the prosecution of this case and the recovery of misspent tax dollars to the U.S. Treasury. As I've said many times, every tax dollar that goes to fraud doesn't help a patient. We don't have a penny to spare for fraud."